answered because the language necessary was not permitted in the family of a Presbyterian elder. That is why I did not become a soldier. The high-light of the whole meeting came to me as I was checking out at the Mayflower. Dr. C. R. Mann, President Emeritus of the Council, whom we all regard with respect and affection, rushed up to me with the remark, "Dr. Lyman, I have been wanting all through the session to tell you what a fine piece of work your Association is doing with the American Journal of Pharmaceutical Education. I especially enjoyed what you said in the last number about Newton D. Baker, he well deserved it."

## PHARMACEUTICAL ETHICS VS. ECONOMICS.\*

BY B. OLIVE COLE.1

Does the pharmacist consider ethics in the practical economics of his profession? If so, why does he continue to offer articles for sale that have no relation whatsoever to the practice of Pharmacy, and in turn, permit the sale of drugs by merchants who have no pharmaceutical training? In doing this he trespasses on the natural fields of other merchants, undermines the goodwill of these merchants, who in turn trespass upon the natural field of Pharmacy, which causes competition where there should be no competition, and ultimate loss of business to the pharmacist.

Ethics is defined by Webster as "The science of moral duty; more broadly the science of the ideal human character and the ideal ends of human action." In ethics we consider the motives which induce one to adopt a certain course of action, as well as the views adopted in relation to ethical problems. We adopt systems of moral principles, which are professionally right or benefitting, and conform to professional standards of conduct, such as the Code of Ethics of the American Pharmaceutical Association. But these are insufficient. Why not investigate the motives of pharmaceutical ethics and decide to be consistently ethical in the practice of Pharmacy? The time is at hand when the pharmacist should decide to strengthen his ethics in order that his profession may become an economic success in the future. He should concentrate on the sale of drugs and such allied products as rightly belong in the drug business, and relinquish the sale of unrelated products to other merchants. This will likely cause some temporary loss in business until adjustments have been made, but if strictly practiced, there is every reason to believe that the profession will profit greatly within a generation of pharmacists.

Economics has been defined "as the social science of business, or as the study of mankind's efforts to secure a living." It endeavors to describe economic processes exactly as they take place. In fact, history is best interpreted in terms of economics, as changes in thought, morals, art, law, etc., is founded on alterations in methods of securing a living, or in the methods employed in making and exchanging goods. Why not interpret and control the present-day economics of Pharmacy in terms of statistical pharmaceutical history? Worth-while statistics are now available for the pharmacist if he will use them. The Federal Government in general; the Bureau of Foreign and Domestic Commerce and the Bureau of Census in particular;

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Associate Professor of Economics and Law, School of Pharmacy, University of Maryland.

specific surveys such as "Costs, Sales and Profits in Retail Drug Stores (St. Louis Survey)" and "The Statistical Survey of the National Association of Boards of Pharmacy;" reports of the work of special committees of national and state associations; specially prepared articles in trade journals—all provide valuable statistical information for the pharmacist. However, it seems that he mainly concerns himself with: how bad business is; how the chain stores have taken away the business of the independent pharmacist; will the Fair Trade Laws be of great advantage or will they be repealed, but does not endeavor to learn how much it annually costs him to run his own business. He has only a general idea as to which of his departments yield a yearly profit. He does not inspect the stock that has been on his shelves for months.

The Bureau of Census of the U.S. Department of Commerce in June 1937, in Census of Business: 1935, Wholesale Distribution, reported \$2,623,158,000 as the Sales for Manufacturing Plants Producing Drug and Selected Allied Products. Noting that 7.4 per cent of this total, or \$193,784,000, was distributed to industrial users in 1935, there remains \$2,429,374,000 as the amount distributed through wholesale outlets. The Bureau of Census: 1935, Retail Distribution, Vol. IV, Types of Operations, reports \$1,232,593,000 (\$950,328,000 from drug stores with fountains and \$282,265,000 from drug stores without fountains) as drug store sales for 1935. For 1937, the estimated retail sales in drug stores amount to approximately \$1,411,000,000—a gratifying increase over the 1935 sales. Why did the retail pharmacists secure only a little over one-half of the possible distribution of drugs and selected allied products in 1935? Likely they were concentrating on the sale of some novelty that had no place in Pharmacy instead of building up their natural pharmaceutical business. The Bureau of Census reports \$33,161,276,000 as the total sales of all retail stores in the United States for 1935, and estimates that 3.72 per cent of these sales were made in drug stores. Why not raise the percentage of total sales in drug stores to at least 5 or 6 per cent of all retail sales?

Drug stores with fountains received \$120,852,000 from the sale of meals and from fountains in 1935, or about ten per cent of the total sales, representing 6.8 per cent of the total sales for meals for the whole country. If the receipts from meals and fountains are compared, not to the total sales of all drug stores, but rather to the total of those drug stores having such receipts (drug stores with fountains), these receipts represent 12.7 per cent or slightly more than one-eighth of the business of such stores. But why should the pharmacist, who is professionally trained to handle drugs and allied products, sell food? He will likely argue that he cannot meet his expenses if he relinquishes 12.7 per cent of his total sales (drug stores with fountain). But while he has been building up the soda fountain and novelty business, his prescription business has been decreasing. The chain stores have taken advantage of these conditions and have increased their efforts to secure the prescription business with attending success. The State Pharmaceutical Associations have spent considerable effort and money in popularizing U.S.P. and N.F. preparations with the physicians, but the pharmacists are not fully awake to the success which would likely attend concentrated cooperation with the state associations and the physicians in this endeavor to promote ethical prescriptions.

Referring to the physician, it is noted from "Cost of Medicines" the publication of the Committee on the Cost of Medical Care (1929), that medicines of the value

of \$25,000,000 are distributed through physicians' offices. The dispensing of medicines is not the legitimate function of the physician, except in some extraordinary cases, and the pharmacist should endeavor to reclaim this business. The pharmacist is required to pass the State Board of Pharmacy Examination and qualify for his work. He pays his license to do business as a pharmacist. In practically every state his place of business is inspected by the State Board of Health or some arm of the law, because he dispenses drugs and allied products. The physician who dispenses should be subjected to the same requirements as the pharmacist.

The pharmacist, by virtue of his education and training is qualified to deal in chemicals other than those intended as medicine. There are many fine chemicals used for reagents and in the arts, and the pharmacist is the logical distributor of these chemicals. It is natural for the agriculturist to depend upon the pharmacist for chemicals for spraying fruit trees, for sprays to kill or repel insects such as flies, ants, mosquitoes and even for some chemicals which are used for fertilizers. The pharmacist should rightly be considered as the principal distributor of heavy chemicals, such as copper sulfate, iron sulfate, ammonia, nitric acid, etc., as he knows their properties. The chemical industry is the most dynamic of all of the industries from the standpoint of growth and offers great possibility for future development to the pharmacist. The pharmacist has knowledge concerning vegetable extracts, lactose, carbohydrates, minerals, fats, vitamins, etc., and this knowledge particularly fits him to dispense dietary products, such as concentrated foods or special foods for diabetics, invalids, infants, etc. Medicines for animals should be distributed by the pharmacist. Why should the farmer purchase epsom salts, turpentine, liniments, etc., from the hardware store and the pharmacist sell rakes and hoes?

Specialized Medicine is now being advocated and is making considerable headway. Some years ago the State Boards of Health began distributing serums and vaccines to farmers for the eradication of animal diseases. This practice has grown until now serums and vaccines for the treatment of diseases in man are distributed gratis throughout the country. In more recent times the State Boards of Health have extended this service to the free distribution of cod liver oil, arsphenamine, sulfanilimide, etc. If this is allowed to continue, the time will soon arrive when all medicines will be distributed gratis by the State. Why does the pharmacist not devote some effort to prevent the growth of this movement rather than to the making of sandwiches?

The materials used by the physician in his office practice, such as reagents for the clinical tests he makes, antiseptic solutions, solutions for producing local anesthesia, and other medicines which must be applied by the physician himself, are now purchased mainly through the so-called Physicians' Supply Houses, which cater to physicians. The physician would no doubt be glad to purchase these materials from the pharmacist provided the equipment of his prescription room indicated that he was qualified to provide articles of this kind. Why does the pharmacist not give more time to cleaning up and arranging his prescription department in such manner as to make its appearance a continuing invitation to physicians to purchase these articles from him?

With reference to restricting the sale of home remedies, patent medicines, etc., to the pharmacist, the "Cost of Medicines (1929)" referred to in the foregoing, esti-

mates that these articles to the value of \$40,000,000 are distributed by mail order houses and venders. The corner grocery store and the variety store sell these articles. Drug departments in increasing numbers are being opened in department stores. Attention is focused on one department store in New York City which has recently opened an up-to-date prescription department, as this department store is not paying any particular attention to the Fair Trade Laws. Such conditions double competition with the pharmacist—both as to the articles sold and the prices at which they are sold.

Considerable publicity is being given in the trade journals to the "Nationally Advertised Brands Week" which is scheduled for the first week in September. It is noted that 119 products, 100 newspapers, 888 chain stores, coast-to-coast radio networks, 13,400 car cards in color, window advertisements galore, are lined up to participate in this extended publicity and expected sale. Will the independent pharmacist succeed in securing his share of the business?

In many states, by law, the sale of poisons is restricted to the pharmacist, and it is the hope that with the enforcement of the new Federal Food and Drug Law, which requires the labels of non-official drugs to list the names of the active ingredients, and in addition, to show the quantity or proportion of certain specified substances in the preparation, this requirement will materially assist in restricting the sale of such preparations to the pharmacist. The pharmacist, by his special training, has knowledge concerning the active ingredients which will be listed on the labels of these non-official drugs, and is the logical distributor of such preparations.

The same arguments apply to cosmetics. The new Federal Food and Drug Law provides for certain control of the manufacture and labeling of cosmetics. The druggist is the logical person to distribute such articles. The farmer's wife ranks as No. 1 cosmetic buyer. Last year the farmers had an income of some eight and one-half billions. Why permit the department stores and the variety stores to take the major part of this business?

In a western state it is expected that elimination from sale in 5¢ to \$1.00 stores, of a large group of trade-marked products containing drugs and chemicals listed in the United States Pharmacopæia, will follow a new definition of what constitutes a proprietary medicine, recently handed down by the Attorney General of the state. The Board of Pharmacy of this state asserts that certain dangerous drugs, under the guise of patent medicines, are being offered the public in syndicate stores contrary to the purpose and spirit of the pharmacy act. The plan of the Board of Pharmacy is to eliminate the promiscuous sale of dangerous drugs, as a matter of public health and safety, and to put a stop to the sale of restricted drugs by subterfuge. A number of non-pharmacy outlets have indicated their willingness to coöperate in this plan.

Arguments of this kind are numerous, but why present more? The pharmacist should relinquish the "fleshpots of Egypt" for the "milk and honey of Canaan." He should discontinue the sale of food, hardware and geegaws in his store, and concentrate on the sale of drugs and selected allied products. The pharmacist will soon find that the practice of good ethics will bring ultimate economic success to an honorable profession.